



## STIPULATED ASSESSMENT GRANT GUIDELINES

### Introduction

The Indiana Brownfields Program (“Program”) offers Stipulated Assessment Grants (“Assessment Grants”) to qualifying Indiana political subdivisions (as defined by Indiana Code (“IC”) 13-11-2-164(c)) (“Applicants”). Examples of political subdivisions that have qualified as Applicants for Program financial assistance in the past can be found on the Program’s web site at <http://www.in.gov/ifa/brownfields/2366.htm>. Each Assessment Grant awarded will stipulate that the Applicant satisfy the requirements set forth in these guidelines to avoid being required to repay its Assessment Grant and accrued interest over a five-year period.

An Applicant may apply to the Program for an Assessment Grant to finance environmental site assessment costs for an eligible brownfield within its jurisdiction. Not-for-profit or for profit corporations may be co-applicants, but will not directly receive funding from the Program as all awards are made only to the political subdivision involved in a project. Assessment Grants may not be used to assess sites contaminated by petroleum, although sites contaminated by both hazardous substances and petroleum may be eligible.<sup>1</sup>

The maximum Assessment Grant (or sum of multiple Assessment Grant awards) is \$100,000 per Applicant, per round. One million dollars will be made available for Assessment Grants in State fiscal year 2009 and will be awarded in two funding rounds (\$500,000 available per round). Terms and conditions, if any, of an Assessment Grant award will be detailed in an Applicant’s award letter, including conditions related to and a date after which the Assessment Grant will expire (generally, one (1) year after execution of a financial assistance agreement (“Agreement”) if no eligible costs have been incurred for Program-approved activities on the brownfield and no invoice(s) submitted to the Program for reimbursement from the grant). Assessment Grant recipients will be required to execute an Agreement with the Indiana Finance Authority (“Authority”) and the Indiana State Budget Agency.

Application deadlines will be posted on the Program’s web site at <http://www.brownfields.in.gov>. No application information or supporting documentation (e.g., site access agreement) will be accepted for review by the Program after the posted deadline for the grant round. The Program reserves the right to reject an Applicant’s application and withdraw it from funding consideration for failing to satisfy one of the threshold eligibility criteria outlined below or to submit the application by 5:00 pm on the application deadline.

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<sup>1</sup> For a site contaminated with both hazardous substances and petroleum to be eligible for an Assessment Grant, the site contamination driving the environmental concern at the Site must be hazardous substances contamination, with petroleum considered to be a secondary issue or not to be the primary contaminant of concern. In other words, an Assessment Grant will not be awarded for a former gas station site that also happens to have an asbestos issue. Petroleum Remediation Grant funding is available from the Indiana Brownfields Program for assessment and remediation of petroleum-contaminated brownfields. Please visit <http://www.in.gov/ifa/brownfields/2366.htm> for more information.

## Threshold Eligibility Criteria

This section contains the threshold criteria that ensure Applicants and sites are eligible for Assessment Grant funding. Threshold eligibility criteria are pass/fail. Only those applications that pass all the threshold criteria will be scored and ranked based on the ranking criteria contained in these guidelines. To be eligible for Assessment Grant funding, Applicants must demonstrate the following *at the time an application is submitted*:

1. The property meets the definition of a brownfield.<sup>2</sup>
2. The Applicant or any entity involved in the project (i.e., co-applicant, property owner, developer), did not cause or contribute to the contamination found on the brownfield or own and/or operate at the site at the time of disposal of hazardous substances or release of petroleum on the site at which the Assessment Grant will be utilized.
3. The Applicant meets the definition of political subdivision (as defined by IC 13-11-2-164(c)).
4. If the Applicant intends to apply for Assessment Grant funding to conduct a Phase II Environmental Site Assessment or a lead and/or asbestos survey, it has completed, or has caused to be completed, an American Society for Testing and Materials (“ASTM”) Phase I (Standard E1527-05), including any updates (180-day or one-year) required per the standard. Furthermore, if the Applicant intends to apply for Assessment Grant funding to complete a Remediation Work Plan, an ASTM E127-05 compliant Phase I and sufficient Phase II assessment data must be available.
5. The current owner of the brownfield, if not the Applicant, has provided written consent for site access to perform the Assessment Grant-funded activities. Access to the brownfield must be provided to the State, any consultant(s), and the Applicant for the duration of the grant performance period (2 years from the execution date of the Agreement).

The following items are also considered threshold eligibility criteria and may disqualify an application from consideration for Assessment Grant funding:

1. The site is subject to an open or pending state or federal enforcement action.
2. The site is under Resource Conservation and Recovery Act Corrective Action.
3. The site presents an imminent threat to human health or the environment.

Note: For purposes of threshold eligibility review, the Program, if necessary, may seek clarification of Applicant information and/or consider information from other sources, including Indiana Department of Environmental Management (“IDEM”), Authority, or United States Environmental Protection Agency (“EPA”) files. In addition, a determination of eligibility to receive brownfields grant assistance from the Authority under these guidelines does not release any party from obligations under any federal or state law or regulation, or under common law, and does not impact or limit state or EPA enforcement authorities against any party.

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<sup>2</sup> A threshold issue evaluated by the Program in reviewing applications is whether the property on which grant funding is sought to be spent meets the definition of a brownfield, which is a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion or redevelopment is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment. IC 13-11-2-19.3.

## Eligible Uses of Grant Funds; Disbursement Procedures

Assessment Grants are available to conduct environmental assessment activities at eligible brownfield sites. Costs eligible for Assessment Grant funding include:

- Phase I Environmental Site Assessments (ASTM E1527-05) or any updates (180-day or one-year) required per the standard
- Phase II Environmental Site Assessments and related activities
- Asbestos surveys
- Lead-based paint surveys
- Remediation Work Plan development

Assessment activities conducted with Assessment Grants must be performed consistent with the IDEM Risk Integrated System of Closure (“RISC”) guidelines in effect at the time the Program approves the proposed grant activities. RISC is a set of health-based standards used to evaluate cleanup options and contaminants based on detailed site data and proposed site end use to determine the appropriate cleanup option and contaminant reduction level necessary. All activities conducted with Assessment Grants must receive Program approval *prior* to implementation.

Assessment Grant disbursements will be made by the Program to the political subdivision for payment to the consultant(s) after the Program receives invoices for work performed consistent with the Program-approved activities. Alternately, a political subdivision may request that the Program disburse payments directly to its consultant(s). Specific information about eligible uses of grant funds, ineligible expenses, and grant disbursements is available in the *Grant Disbursement Guidelines for Stipulated Assessment Grants* and can be found at <http://www.in.gov/ifa/brownfields/2366.htm>.

## Ineligible Grant Activities

Assessment Grant funding cannot be used for remediation-related costs (including characterization of on-site materials to determine disposal options), demolition expenses, or reimbursement for investigation activities conducted prior to a grant award.<sup>3</sup> In addition, costs incurred due to specific requirements of the IDEM Voluntary Remediation Program (i.e., consultant oversight fees, application fees, etc.) or pursuit of historic insurance coverage will not be covered by an Assessment Grant. Specific information about eligible uses of grant funds, ineligible activities and expenses, and grant disbursements is available in the *Grant Disbursement Guidelines for Stipulated Assessment Grants* and can be found at <http://www.in.gov/ifa/brownfields/2366.htm>.

## Stipulations

1. Investment (match requirement): Applicants will be required to demonstrate a certain level of investment in their sites within a two-year period following the execution of an Agreement documenting the Applicant’s Assessment Grant award. The required investment will be determined based upon an Applicant’s population and Median Household Income (MHI) from the 2000 census data. Please refer to the following chart to determine an Applicant’s required investment:

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<sup>3</sup> Other funding is available from the Indiana Brownfields Program for assessment, demolition, and petroleum remediation activities. Please visit <http://www.in.gov/ifa/brownfields/2366.htm> for more information.

	Population < 10,000	10,001 to 20,000	20,001 +
MHI < 30,000	\$ -0-	\$.25 per \$1 Grant	\$.50 per \$1 Grant
30,000 to 40,000	\$.25 per \$1 Grant	\$.50 per \$1 Grant	\$.75 per \$1 Grant
40,000+	\$.50 per \$1 Grant	\$.75 per \$1 Grant	\$1.00 per \$1 Grant

The source of the intended investment must be identified in the Applicant’s application and may include any eligible investment made after the Applicant’s Assessment Grant award has been approved by the Authority Board; no pre-award costs can be counted toward an Applicant’s investment match. In-kind services will be considered “investment” for matching funds only if such services are directly related to the Applicant’s project and/or work performed at the project site. Permanent jobs created at the redeveloped project site will receive a credit of \$1,000 per job created. Temporary jobs (e.g., construction related) may not be counted. While not limited to the following, other potential investment can include costs associated with assessment, remediation, demolition, infrastructure, and construction. Applicants have two years from the date of execution of their Agreement to demonstrate the required investment. If traditional redevelopment activities have not occurred within the two-year performance period, then investment may also be demonstrated with an executed contract for remediation work. Assessment Grants not matched within the required two-year period following execution of the Agreement with the Program will become a five-year term loan with an interest rate of three percent to be accrued from the date the Assessment Grant was awarded. Requests for an extension of the investment deadline and an alternative investment credit (e.g., investment in adjacent properties) must be made in writing to the Indiana Brownfields Program at the time of application and will be evaluated on a case-by-case basis. Such requests may affect a project’s ranking. Notwithstanding any of the foregoing, the Indiana Brownfields Program reserves the right to determine if the activities the Applicant intends to apply to its investment requirement satisfy the requirement.

2. Competitive Bidding: Applicants must demonstrate services to be reimbursed with Assessment Grant funding have been competitively bid. Professional services need to be procured in compliance with IC 5-16-11.1, and activities other than professional services are required to be procured in compliance with IC 36-1-12. When seeking payment from its Assessment Grant award, the Applicant will be required to sign a Disbursement Request Form. By signing a Disbursement Request Form, the Applicant will be affirming that the invoiced services submitted for payment were bid pursuant to Indiana law. Program Project Managers may assist in developing bid specifications for work to be performed with Assessment Grant funds. A competitive bidding fact sheet is available at <http://www.in.gov/ifa/brownfields/2366.htm>.

Application Procedure

Using the Program’s online application system available on the Program’s web site at <http://www.in.gov/ifa/brownfields/2366.htm>, Applicants must submit one fully-completed and digitally-verified online application to the Program by 5:00 p.m. on the application deadline. There is no application fee. If the application deadline falls on a day on which the Program offices are closed for business, applications will be due and accepted on the next business day.

The supplemental information listed below must also be submitted to the Program by 5:00 pm on the application deadline as an electronic file on CD-Rom or in hard copy (not preferred) at the Program office at 100 N. Senate Avenue, Indiana Government Center North, Room 1275, Indianapolis. Applications or

supplemental information not received by 5:00 pm on the application deadline will be considered late and will not be reviewed unless the Applicant can demonstrate that the information was late due to Program mishandling.

1. Documentation evidencing the Applicant meets the definition of political subdivision as defined by IC 13-11-2-164(c); and
2. Written consent for site access from the current owner of the brownfield (if not owned by the Applicant); and
3. Sufficient detail of how costs will be allocated (Phase I vs. Phase II or other) and the specific work to be performed in the format outlined by the Program in the *Grant Disbursement Guidelines for Stipulated Assessment Grants* found at <http://www.in.gov/ifa/brownfields/2366.htm>; and
4. A Phase I Environmental Site Assessment (ASTM E1527-05), *if* the Applicant is applying for funding to conduct a Phase II Environmental Site Assessment or a lead and/or asbestos survey; and
5. A Phase I Environmental Site Assessment (ASTM E1527-05) and Phase II assessment data *if* the Applicant is applying for funding to complete a Remediation Work Plan; and
6. Documentation demonstrating competitive bidding was undertaken for the services to be reimbursed with grant funds; and
7. A copy of the Applicant's most recent audit from the State Board of Accounts; and
8. Other submittals as indicated in the application or as available and appropriate (e.g., letter of intent to redevelop).

Applications will be evaluated and ranked based upon the criteria set forth below. Assessment Grants will be awarded to the highest ranking applications. An Applicant's past performance on projects that have received brownfields grant and loan assistance will be considered during the review process.

### Ranking Criteria

Applicants will be competitively evaluated in one of two categories depending on the size of the community in which the brownfield is located. Assessment Grant dollars will be allocated to categories based on the number of potential applicants in each category and the ranking of projects.

Category One:	Cities, Towns and Counties with populations of 10,000 or more:	50%
Category Two:	Cities, Towns and Counties with populations of less than 10,000:	50%

Projects will be scored based on the following criteria and a total of 275 possible points:

1. **PROJECT BENEFITS** (200 total possible points)  
The Program seeks to provide assistance for projects that will have the greatest potential impact on the targeted community, broadly defined as improvement of the environment and/or public health, economic development (e.g., jobs created), increased access to recreation, and sustainable redevelopment.

Economic Development Potential for Site (60 possible points)

The Program seeks to provide assistance for projects that will promote economic development.

The Application clearly addresses:

- long-term plans for reuse of the property, including the fit of the project in the overall economic development plans of the community (up to 30 points)
- the impact the project will have on overall economic development plans/goals of the community, including a potential increase to the property and/or sales tax base, job creation or business expansion, new business or business relocation, and investment in project property (up to 30 points)

Community Development/Greenspace (non-economic benefit) (50 possible points)

The Program seeks to provide assistance for projects that will result in the creation of, preservation of, or addition to a park, greenway, recreational facility, or other municipal benefit/nonprofit use.

The Application clearly addresses:

- long-term plans for reuse of the property for an above-listed (or similar) use, including identifying potential users, and plans for maintenance and preservation (up to 25 points)
- impact the project will have on, and its fit into, the community's Comprehensive Plan (or similar community-approved (re)development or revitalization plan), if one exists (up to 25 points)

Feasibility of Project Success/Resources Leveraged (40 possible points)

The Program will rank higher those applications that demonstrate a greater likelihood of success, broadly defined as having available the financial and other resources necessary to complete the environmental work and site reuse or redevelopment. The Application should demonstrate 1) an approach to the project that is well-conceived, 2) sufficient resources (financial and human) are available to complete the project, and, 3) the capability to timely complete the project. The Application clearly addresses:

- other public and/or private funding or resources to complete the grant activities if grant will not cover the estimated cost (10 points)
- public and/or private funding or resources to complete the reuse and/or redevelopment project (10 points)
- the potential for project success as evidenced by formal contracts/(re)development agreements (10 points)
- previous local efforts to redevelop property and/or address environmental issues of the site (5 points)
- marketability of the site, if applicable (5 points)

Sustainability/Environmental Benefit/Infrastructure Reuse (35 possible points)

The Program seeks to provide assistance for projects that anticipate and plan for environmental benefits beyond the assessment and/or remediation of on-site contamination as demonstrated by the reuse of existing buildings, connection of the site to existing modes of transportation, new construction of LEED-certified buildings, use of renewable energy sources, etc. The project for which the Application is written:

- is linked to a sustainable initiative sponsored by a local unit of government (e.g., transportation oriented development (TOD), Smart Growth Zone, Leadership in Energy Environmental Design (LEED)-Neighborhood Designation (ND). At the time of Application, Applicant must provide documentation from local planning organization or other appropriate entity (e.g., for LEED, the U.S. Green Building Council) that the project is participating in the TOD, Smart Growth Zone, LEED-ND or other sustainable development initiative (5 points)
- is seeking certification under LEED, the National Association of Home Builders National Green Building Program (NAHBGreen), or other nationally recognized green building program for newly-constructed buildings on the Site. At the time of Application, Applicant must provide documentation of acceptance from the entity managing acceptance into such programs (5 points)
- is participating in an established local unit of government sustainable development (SD) initiative or program. At the time of Application, Applicant must provide documentation of acceptance from the appropriate local entity managing acceptance into such program (5 points)
- has a completed energy audit for on-site building(s) planned for reuse and a plan, including budget and available funding sources, to implement the recommendations of the energy audit. At the time of Application, Applicant must provide a copy of the energy audit and implementation plan (5 points)
- incorporates green remediation techniques, through consideration of all environmental effects of undertaking grant activities, including incorporating sustainable practices. Bids and specifications for the project include the following:
  - a. Requirement for the use of renewable fuels for on-site vehicles and equipment and/or efforts to reduce emissions released by the burning of diesel fuels through modifications to operations (e.g., reduced idle times of machinery)
  - b. Requirement for deconstruction<sup>4</sup> of on-site structures
  - c. Requirement for use of remediation techniques that promote ecosystem recovery
  - d. Requirement to reuse construction and demolition debris as fill material when permissible
  - e. Requirement to use green infrastructure<sup>5</sup> for stormwater management during demolition, deconstruction, assessment/remediation activities and redevelopment (5 points)

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<sup>4</sup> Deconstruction is defined as the disassembly of buildings so as to safely and efficiently maximize the reuse and recycling of their materials. (“OSWER Innovations Pilot Deconstruction and Building with Reused Materials Training”, Solid Waste and Emergency Response, U.S. Environmental Protection Agency, May 2005)

- is requiring green infrastructure as a part of site reuse/redevelopment to support water conservation and improve water quality through use of Low Impact Development (LID) techniques, Storm Water Retention, use of high water efficiency water fixtures/toilets in new construction, etc... (5 points)
- will become part of the local public transportation authority mass transit system, e.g., inter-modal hub, transit stop, etc. At the time of Application, Applicant must provide documentation that the planned site redevelopment is part of the local transportation plan (5 points)

Welfare and Public Health (15 possible points)

The Program seeks to provide assistance for projects that will improve public health and welfare. The Application clearly addresses:

- the environmental and/or public health benefits anticipated from the remediation and/or redevelopment of the Site, including benefit for any sensitive populations particularly negatively affected by current site conditions (up to 10 points)
- specific examples of human health risks that will be mitigated by grant activities and/or environmental improvements that can reasonably be expected to result from grant activities (up to 5 points)

2. COMMUNITY ENGAGEMENT & LOCAL SUPPORT FOR PROJECT (50 total possible points)

The Program seeks to provide assistance for projects/Applicants that a) demonstrate active efforts by the Applicant to engage the community in brownfields redevelopment in general, as well as specifically in the project that is the subject of the application, and b) have identified and reached out to the local partners necessary for the project to succeed.

Project-Specific Neighborhood Comment and Input (30 possible points)

- Project-specific plans announced at a public meeting and comments sought from the public (10 points)
- Substantial community engagement demonstrated (through additional (or more focused) opportunity for community and/or neighborhood input, for example, into development of the reuse or redevelopment plan for the brownfield) (10 points)
- Favorable responses received and/or documented follow up to any negative comments received (5 points)
- Identified and established relationships with project partners (5 points)

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<sup>5</sup> Green Infrastructure includes bio-swales, rain gardens, pervious pavement, or other approved, engineered on-site stormwater management unit.

Coordinated Local Brownfields Efforts (20 possible points)

- Local coalition/organization meeting working regularly on brownfields issues and/or brownfields coordinator designated for the local community (5 points)
- Local brownfields sites identified and/or prioritized (5 points)
- Firm plans to form brownfields workgroup or coalition to address brownfields issues locally (5 points)
- No brownfields workgroup or coalition exists to address brownfields issues locally, but a joint local effort by more than one party to apply for grant (5 points)

3. OBJECTIVE CRITERIA (25 total possible points)

Geographic Distribution of Grant Money (20 possible points)

- This is the only project this political subdivision is applying for in this round (5 points)
- This is the only project seeking funding from this county in this round (5 points)
- This is the only project from a two or more county area seeking funding in this round (5 points)
- This applicant has not received grant funding in any prior round (5 points)

CLEAN Community Designation (5 points)

The Program encourages communities to participate in the Indiana Comprehensive Local Environmental Action Network (“CLEAN”) Community Challenge, a voluntary recognition program for Indiana local governments that helps communities take steps to plan, develop, and implement a quality of life plan. An Applicant that is a CLEAN Community or a site that is located in a CLEAN Community will receive additional points. Information about the CLEAN Community Challenge can be found at <http://www.in.gov/idem/4422.htm>.

Priority (“just in time”) Funding

Assessment Grants may also be made available outside the normal grant round to fund approved assessment activities that would fulfill immediate economic development project needs (if funds remain from the \$1,000,000 available in the fiscal year). A dollar-for-dollar match of such an Assessment Grant must be provided by the Applicant (or a stakeholder involved in the project, on behalf of the Applicant) and the Applicant must submit a certification that a company or developer is imminently interested in redeveloping the site.<sup>6</sup> The same online application form and application requirements apply to a Priority

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<sup>6</sup>The required certification should include details on relevant project considerations such as the timeline for redevelopment, intended future use of the site, proposed investment, and funding source for the dollar-for-dollar match. The Program may seek clarification of project plans and/or contact the end user/developer of the Site if additional information is necessary to determine the imminent nature of the redevelopment project

Funding request. Please contact the Indiana Brownfields Program Financial Resources Coordinator at (317) 234-1688 prior to submitting your Priority Funding application to discuss your project.

### Further Information

We welcome comments on the Program's Assessment Grants at any time. Questions regarding these guidelines or the Assessment Grants can be directed to the Program's Financial Resources Coordinator at (317) 234-1688. These guidelines may be modified at any time by the Indiana Finance Authority Board to address demand and other issues to promote the effective and efficient administration of the Indiana Brownfields Program.

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